

# Wisconsin Medicaid and BadgerCare Dental Benefit Overview

Andrew Snyder

Mary Laughlin

Robert Dwyer, DDS

Division of Health Care Financing

Department of Health and Family  
Services

January 7, 2004

# Medicaid and BadgerCare

- Medicaid (MA): joint federal/state program established in 1965 to pay for medical services for disabled, elderly, children and their caretakers, and pregnant women who meet the program's financial requirements.
- BadgerCare is a related insurance program for low-income families
- State pays 30-42% of cost
- Basic dental services:
  - Optional benefit for adults
  - Required benefit for children, under EPSDT

# Covered Services

- Exams, x-rays
- Cleanings, fluorides, sealants
- Amalgam and resin fillings
- Prefabricated crowns
- Root canal therapy
- Basic periodontal services
- Full and partial dentures
- Simple and surgical extractions
- Orthodontics for children
- Palliative care
- “HealthCheck Other Services”

# Services Not Covered

- Implants
- Veneers
- Gold/platinum/titanium restorations
- Advanced periodontal services
- Instruction/behavior management
- Services where prior authorization is denied

Non-reimbursable, non-billable services” include:

- Local anesthesia
- Fees for missed appointments

# Payment Types

## Fee-for-Service

- Individual dentists enroll
- Dentists submit claims to MA fiscal agent in Madison
- Payment for allowable claims paid directly based on MA fee schedule

## Federally Qualified Health Centers

- Designated by federal Department of Health and Human Services
- Cost-based reimbursement for Medicaid enrollees required by federal law
- Payment for allowable claims paid directly based on MA fee schedule
- Year-end cost settlements
- 13 FQHCs in Wisconsin; not all provide dental services

# Payment Types

## Managed Care

- Enrollment mandatory in 48 counties, voluntary in 18, not available in 6
  - 64% of recipients are in HMOs
- Milwaukee, Racine, Kenosha, and Waukesha Counties include oral health in HMO contracts
  - 166,403 recipients; 48% of HMO enrollees
- Capitation rate is paid to HMOs who maintain provider networks

## Physicians and HealthCheck

- Submit claims for limited preventive dental services to FFS or HMO, as applicable

# Dentist Participation

FFS participation is low

- 2004: 40% of Wisconsin licensed dentists (1,342) submitted a FFS claim
  - 59% of these had more than 50 paid claims
  - 12% had more than 500 paid claims
- Recurring Issues:
  - Reimbursement
  - Administrative requirements
  - Recipient behaviors
- HMO contracts require maintenance of adequate provider networks
  - Subcontractors: SEDA, Doral

# Expenditures

FY 04 fee for service expenditures approximately \$28 million

- 2003-2004: utilization stable
  - All ages: up slightly to 22.8%

FY 04 Managed care capitation payments: approximately \$10M

- 2001-2003: utilization increased
  - Children: up 4 points to 25.3%
  - Adults: up 2 points to 30.5%

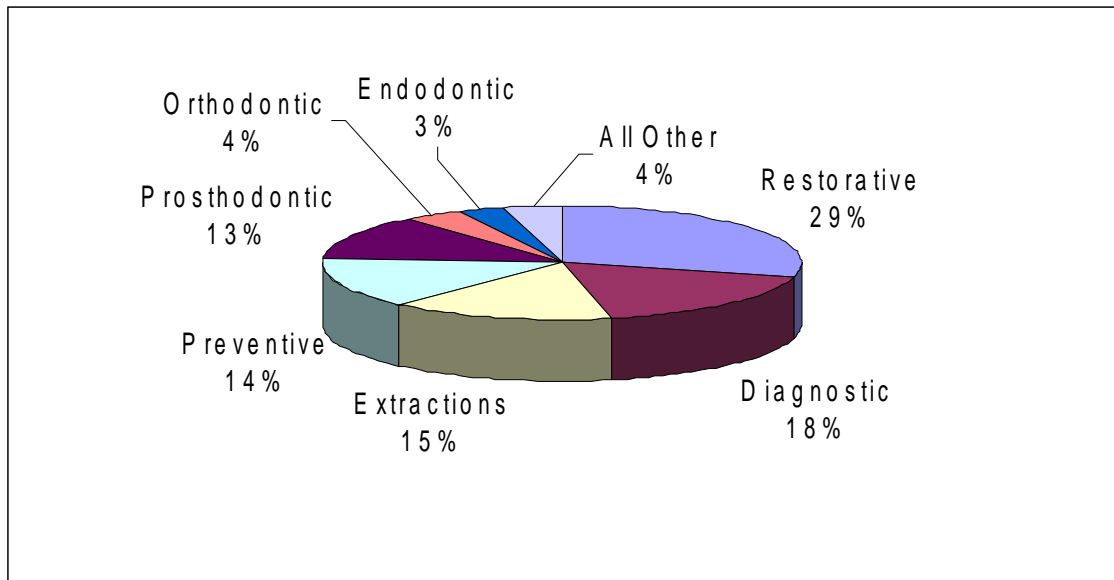
Fluoride billing by non-dentists is, so far, small

Additional expenditures incurred for oral surgeons in physician clinics, hospital inpatient, outpatient and ER



# FFS Expenditures

## Payments by procedure category



- 2004: paid 46% of billed (1993: 61%)
- 2000: Fees at 65% of CY 1998 charges
- 2002, 2003: 1% budget increases
- 2004, 2005: no increases
- From 1993-2004:
  - Expenditures up 62%
  - Number of services up 16%
  - Billed charges up 116%
  - Dental inflation 3 times higher than overall CPI, higher than medical inflation

# FFS Billing Procedures

## Eligibility verification

- Phone line or card swipe-reader
- Future: Internet verification

## Prior authorization (when necessary)

- PA request form, check-box form, necessary attachments
- 10-business day normal turnaround
- Reduction plan in progress:  
orthodontia, dentures, periodontal, TMJ, adult molar root canals
- Future: using ADA claim form as PA request form

## Claims submission

- ADA 2000 / 2002 paper claims (70%)
- Electronic transactions (30%)
- 14-day average payment time

# FFS Paper Claim Requirements

ADA Dental Claim Form

HEADER INFORMATION

1. Type of Transaction (Check all applicable boxes)  
☐ Statement of Actual Services - DR - ☐ Request for Predetermination/Preauthorization  
☐ BPSDT/Title XIX

2. Predetermination/Preauthorization Number  
1234567

PRIMARY PAYER INFORMATION

3. Name, Address, City, State, Zip Code

OTHER COVERAGE

4. Other Dental or Medical Coverage? ☐ No (Skip 5-11) ☐ Yes (Complete 5-11)

5. Subscriber Name (Last, First, Middle Initial, Suffix)

6. Date of Birth (MM/DD/CCYY)

7. Gender  
☐ M ☐ F

8. Subscriber Identifier (SSN or ID#)

9. Plan/Group Number

10. Relationship to Primary Subscriber (Check applicable box)  
☐ Self ☐ Spouse ☐ Dependent ☐ Other

11. Other Carrier Name, Address, City, State, Zip Code  
OI-P M-5

PRIMARY SUBSCRIBER INFORMATION

12. Name (Last, First, Middle Initial, Suffix), Address, City, State, Zip Code  
Recipient, Im A.

13. Date of Birth (MM/DD/CCYY)  
MM/DD/CCYY

14. Gender  
☐ M ☐ F

15. Subscriber Identifier (SSN or ID#)  
1234567890

16. Plan/Group Number

17. Employer Name

PATIENT INFORMATION

18. Relationship to Primary Subscriber (Check applicable box)  
☐ Self ☐ Spouse ☐ Dependent Child ☐ Other

19. Student Status  
☐ FTS ☐ PTS

20. Name (Last, First, Middle Initial, Suffix), Address, City, State, Zip Code

21. Date of Birth (MM/DD/CCYY)

22. Gender  
☐ M ☐ F

23. Patient ID/Account # (Assigned by Dentist)

RECORD OF SERVICES PROVIDED

24. Procedure Date (MM/DD/CCYY)	25. Area of Oral Care	26. Tooth System	27. Tooth Number(s) or Letter(s)	28. Tooth Surface	29. Procedure Code	30. Description	31. Fee
MM/DD/CCYY 01					D5510	Repair broken complete denture base	XXXX
MM/DD/CCYY			28	MOD	D2160	Amalgam	XXXX

MISSING TEETH INFORMATION

Permanent																Primary												32. Other Fee(s)
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	A	B	C	D	E	F	G	H	I	J	K	33. Total Fee	
32	31	30	29	28	27	26	25	24	23	22	21	20	19	18	17	T	B	R	Q	P	O	N	M	L	K	33. Total Fee		

35. Remarks

AUTHORIZATIONS

36. I have been informed of the treatment plan and associated fees. I agree to be responsible for all charges for dental services and materials not paid by my dental benefit plan, unless prohibited by law, or the treating dentist or dental practice has a contractual agreement with my plan prohibiting all or a portion of such charges. To the extent permitted by law, I consent to your use and disclosure of my protected health information to carry out payment activities in connection with this claim.  
X Patient/Coordinating signature Date

37. I hereby authorize and direct payment of the dental benefits otherwise payable to me, directly to the below named dentist or dental entity.  
X Subscriber signature Date

BILLING DENTIST OR DENTAL ENTITY (Leave blank if dentist or dental entity is not submitting claim on behalf of the patient or insured/subscriber)

48. Name, Address, City, State, Zip Code  
Dental Group  
1 W. Williams St.  
Anytown, WI 5555

49. Provider ID  
12345678

50. License Number

51. SSN or TIN

52. Phone Number ( ) -

ANCILLARY CLAIM/TREATMENT INFORMATION

38. Place of Treatment (Check applicable box)  
☒ Provider's Office ☐ Hospital ☐ ICP ☐ Other

39. Number of Episodes (00 to 99)  
Relatives: One Two Three

40. Is Treatment for Orthodontics?  
☒ No (Skip 41-42) ☐ Yes (Complete 41-42)

41. Date Appliance Placed (MM/DD/CCYY)

42. Months of Treatment Remaining

43. Replacement of Prosthesis?  
☐ No ☐ Yes (Complete 44)

44. Date Prior Placement (MM/DD/CCYY)

45. Treatment Resulting from (Check applicable box)  
☐ Occupational Illness/Injury ☐ Auto accident ☐ Other accident

46. Date of Accident (MM/DD/CCYY)

47. Auto Accident State

TREATING DENTIST AND TREATMENT LOCATION INFORMATION

53. I hereby certify that the procedures as indicated by date are in progress (for procedures that require multiple visits) or have been completed and that the fees submitted are the actual fees I have charged and intend to collect for these procedures  
I.M. Provider MM/DD/CCYY  
X Signed (Treating Dentist) Date

54. Provider ID 87654321

55. License Number

56. Address, City, State, Zip Code

57. Phone Number ( ) -

58. Treating Provider Specialty

©American Dental Association, 2002  
J515 (Same as ADA Dental Claim Form) - J516, J517, J518, J519

To Reorder call 1-800-947-5148 or go online at www.ada.org

# Common Reasons for FFS Claim or Procedure Denial

- Recipient not eligible on date of service
- Recipient has other insurance
- Recipient name/ ID number mismatch
- Exceeding service limitations
- Prior authorization necessary for service
- Procedure is not a covered service

These account for over 80% of FFS dental denied claims and procedures

Denial rates for dental are comparable to or less than the rates for other provider types

# How FFS Recipients Access Care

- Recipient Services hotline
  - Approximately 1300 calls per month
- Participating dentists
- Safety net clinics
- Advocates: legislators, county social workers, referring physicians
- Hospital emergency rooms: sedatives, antibiotics
- Physicians and HealthCheck providers: sealants and fluorides

# Recipients' Obstacles to Oral Health

- Low participation rate among dentists
- Very few dentists accepting new MA patients
- Long waiting lists
- Accessing dental services on emergency, rather than routine basis
- Poor oral hygiene and preventive care practices
- Dietary and lifestyle factors
- Special needs of disabled, elderly
- High cost of private payment for dental care
- No established relationships with dentists
- Shortage of dentists, particularly in rural areas and for special needs populations
- Lack of interpreter services

# DHCF Responses

- Recertification of dentists
- Close relationship with safety net clinics
- “Urgent Care” form for non-certified dentists
- PA simplification and paperwork reduction
- Claims processing accommodations
- Training for dental billing staff
- Reimbursement for fluoride varnishes applied by physicians and HealthCheck agencies
- Managed care

# Managed Care Contract Requirements

- Dental provider network submitted to DHCF for approval at certification
  - 2004: DHCF audit to confirm networks
- Enrollment broker has current provider lists for counseling enrollees
- HMOs contractual guarantees:
  - Routine appointments in 90 days or less
  - Emergency appointments in 24 hours or less
  - Dentist location: 35 miles or less
  - Grievance process
  - Reports to DHCF on access and outreach



# Managed Care Advantages

- Enrollees guaranteed oral health care services, with no co-payments
- Enrollees have access to:
  - Advocate at HMO
  - Managed Care Ombuds Program
  - Grievance process at HMO, DHCF, and Fair Hearing Levels
- Complaints from managed care enrollees are rare and are resolved promptly by the HMO
- Oral health care is considered an important part of a comprehensive care plan for HMO enrollees.

# Options From Other States

## Increasing FFS dental budget: IN, WA

- Measurable impact, but % increases in access less than % increase in budget
- Targeted increases: pediatric dentists, preferred provider network

## “Carving out” dental agent: TN, MI

- Raised fees substantially
- Improved access but at significantly higher costs
- MI program limited to selected rural areas

## MA-certified hygienists: MN, CO

- Could provide more services to children, nursing home residents

## Expanded-function dental auxiliaries: OH

- Can enhance dentist productivity
- Expand access at lower cost

# Summary

- Wisconsin Medicaid spent almost \$40 million on oral health care in FY 2004
- Recipients face substantial barriers to access
- Only 40% of Wisconsin's dentists participate in FFS Medicaid
- Most participating dentists are not accepting new patients
- MA fees have not kept pace with increases in billed amounts
- FFS billing requirements are substantially similar to ADA guidelines
- DHCF addressing concerns on paperwork, ease of participation
- Managed Care contracts include enforceable guarantees
- Currently evaluating HMO utilization
- Universal problem in Medicaid
- Raising fees does not necessarily improve access